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DEPT FOR EUR/SCE, DRL, INL, AND S/WCI, NSC FOR BRAUN, USUN
FOR DREW SCHUFLETOWSKI, USOSCE FOR STEVE STEGER, OPDAT FOR
ACKER

E.O. 12958: DECL: 04/05/2017

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SUBJECT: KOSOVO: GROWING PRESSURE ON AND FROM KOSOVO SERBS,
EVEN IN CONTEXT OF USG AID PROJECTS

Classified By: COM TINA KAITANOW FOR REASONS 1.4 (B) AND (D).

¶1. (C) SUMMARY: Recent instances in which Kosovo Serb officials have refused to accept U.S. assistance if Kosovo Albanians are involved in the projects or in the provision of USOP/USAID security suggest that these communities are coming under increased and deliberate pressure from Belgrade and their own hardline northern leadership. Citing "orders from above," school principals in north Mitrovica told USAID implementers recently that USOP Albanian staff and security were not welcome at upcoming events to mark the signing of grant agreements with youth councils, since this might create problems and cause security incidents. The official in charge of education in north Mitrovica for Belgrade's Coordinating Council for Kosovo (CCK) confirmed this state of affairs to another USAID implementer. In another example, the CEO of the northern Serb-majority municipality of Leposavic, saying he was "under pressure from Belgrade," recently refused to co-sign a roadbuilding project because a Kosovar Albanian firm had won the bid. Despite this pressure, we will continue to fund quick-impact projects in Serb areas of Kosovo to demonstrate our support for and goodwill toward the Kosovo Serb community. This is a critical time in Kosovo, and Serb communities are under intense pressure from Belgrade and from hardliners in their midst; we will not react to these statements by halting our cooperation, but neither will we accept working under these strictures. We suspect that some of the pressure may also be coming from Kosovo Serb construction companies, which are seeking to protect their limited market from wider competition. END SUMMARY.

¶2. (C) On April 3 staff of Catholic Relief Services (CRS), implementing a USAID-funded youth empowerment project, held meetings with five high school principals in the Serb-majority part of the divided city of Mitrovica. Discussion centered around an April 19 ceremony -- to which the COM is invited -- to mark the signing of grant agreements with youth councils in the participating high schools. CRS told us that all five principals expressed concern that at this point in time, due to the "very tense political situation, "ethnic Albanian staff and security from USOP

would not be welcome at the ceremony because this might create problems with the project or even cause security incidents during the event." The principals said they understood the gravity of their remarks, but that there "was not much they could do," since they had to act in accordance with an order "coming from above." On April 4, staff of another USAID implementer, IOM, met the principal of a technical high school receiving USAID funding for rehabilitation and also scheduled for an inaugural ceremony, and was told the same thing. Predrag Stojetovic, the CCK official in charge of education in the north Mitrovica region, admitted to CRS staff on April 5 that this was indeed the state of affairs, but that he could "do nothing because of orders from above."

¶3. (C) In an even more direct sign of the political atmospherics in the north, the CEO of the northern Serb municipality of Leposavic recently refused to co-sign a USAID roadbuilding project with a Kosovar Albanian company, despite the fact that the company's bid came in at less than half the price of the next lowest bid, from a Kosovar Serb company, and municipal leaders had already agreed to it. The CEO admitted to us that he was "under pressure" from Belgrade to say he could not guarantee security for the company's Albanian workers. Leaders in the village of Socanica, where the road work will take place, are reportedly very upset by the CEO's decision and do not agree that security is an issue. USAID Director will travel to Leposavic today to attempt to resolve the problem. Meanwhile, USAID has put a hold on another roadbuilding project, successfully bid by a Kosovar Serb firm, until the first issue is resolved.

¶4. (SBU) USAID Director traveled to Leposavic April 10, where he met with the CEO. According to the CEO, he could

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not provide protection for Albanian workers or their equipment. He also said that Kosovo Albanian workers and contractors at KFOR's Nothing Hill facility had been the source of community discontent. The CEO was clearly reading from prepared notes; the meeting was civil and polite. He also raised no objection to the fact that the USAID Director had come up with Kosovo Albanian LES security personnel.

¶5. (C) COMMENT: While these examples should not be exaggerated, they do indicate the extent to which Kosovar Serbs, especially those in the north, are feeling pressure -- whether from Belgrade, from their own hardline leadership, or from a combination of both -- to reject cooperation with Kosovar Albanians and with the international community. We have directed a good deal of assistance to quick-impact projects in the north and in Serb enclaves throughout Kosovo; we will continue to do so. Our work in the north, through IOM and Mercy Corps has been almost exclusively with Serb contractors; the use of Albanian workers or contractors has not been an issue in the enclaves. However, our broader policy interests preclude us from accepting as a condition of our assistance to Kosovo Serbs that no Kosovo Albanians be involved. Also, our interest in the responsible stewardship of our assistance funds precludes us from disregarding a winning bid because of the ethnicity of the contractor. While we have always encouraged the use of firms from target municipalities where possible, we have never told any member of our LES staff -- Albanian or Serb -- that there are parts of Kosovo where they cannot do their jobs. Delivering assistance to these communities will remain a key Mission priority to demonstrate our support for and goodwill toward Kosovo Serbs. END COMMENT.

¶6. (SBU) U.S. Office Pristina clears this cable in its entirety for release to U.N. Special Envoy Martti Ahtisaari.

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